

Analysis

Topic: Renewable Energy Portfolio Standard

Sponsor: Representative Kolb

Co- Representatives Condino, Kathleen Law,

Sponsors: Tobocman, Meisner, and Lemmons III

Committee: House Energy and Technology

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Summary: February 18, 2005

The bill requires the Public Service Commission to establish a renewable energy portfolio standard for each electrical service provider. "Renewable energy" is defined as biomass, geothermal energy, solar thermal energy, and wind energy. The proposed portfolio standard for calendar years 2005 through 2007 is not less than 7% of the total amount of electricity sold by a provider to its retail customers. The percentage increases in stages to 15% by calendar year 2015. At least 5% of the total amount that a provider is required to generate from renewable energy system is required to be from solar energy sources. The reduction in electricity consumption resulting from acquisition of installation of a solar energy system on behalf of a retail customer can be counted toward the portfolio standard. The Public Service Commission may establish a system of renewable energy credits. A provider unable to comply with the portfolio standard from its own renewable energy stems or the use of credits is required to acquire electricity under one or more renewable energy contracts. The Commission may exempt providers from portfolio requirements under certain circumstances. Providers are required to file annual reports with the Commission. A fine may be imposed on a provider that does not meet its portfolio standard and has not received an exemption from the Commission.